

they are a lot less than meets the eye and that our farmers will continue to suffer.

It was an opportunity to secure real reforms to China's rapacious trade and industrial policy. President Trump may have just squandered it indefinitely—a severe and potentially irreparable loss for the American people, American businesses, American workers.

Given how poorly trade deal one was executed with China, I have virtually no faith that trade deal two, if it ever comes about, will be any better. In fact, most Americans should fear it if it is anything like this one.

BORDER SECURITY

Mr. SCHUMER. Mr. President, on the wall, yesterday the Washington Post reported that the Trump administration is planning to divert \$7.2 billion in funding from the Defense Department to fund his border wall with Mexico.

Once again, the administration proposes stealing this funding from military families and counterdrug programs, bringing the total amount that the President has stolen—stolen—from our troops and our families to over \$13 billion.

The last time the President took money away from military construction, serious military projects suffered—schools in Kentucky, medical facilities in North Carolina, and hurricane recovery projects in Florida. Now the President wants to take even more money away from these projects for a border wall that he promised Mexico would pay for. This is another slap in the face to our Armed Forces, their families, and all of the places throughout America that have military bases that need new construction funding.

Some Senate Democrats strongly oppose this action. We will continue to oppose the transfer of counterdrug funding for the wall, and we will force yet another vote to terminate the President's bogus national emergency declaration and return these much needed military construction funds back to the military, to the men and women in our Armed Forces, and to their families. Our Republican friends, hopefully, will join us in that vote.

President Trump is once again subverting the will of Congress—once again thumbing his nose at the Constitution. The Founders gave Congress the power of the purse, not the President, and this Chamber has refused repeatedly to fund the President's wall. But whether it is to Federal appropriations, foreign policy, or our oversight authority, President Trump seems to have little regard for constraints placed on the Executive. He seems to view the Constitution as merely a nuisance, some inconvenient obstacle in the way of his personal and political interests. It is time for Democrats and Republicans to say: Enough.

I would say one final thing to my conservative friends. The true founda-

tion of conservatism is to minimize the powers of government, particularly the Executive, because they believe it provides more room for the individual. Where are our conservative voices when Donald Trump, in issue after issue—one of the most egregious being this border wall—takes the power away from Congress, away from the American people, and arrogates it onto his own personal wishes?

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOOMEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES-MEXICO-CANADA TRADE AGREEMENT

Mr. TOOMEY. Mr. President, it appears that we are likely to be considering some version of the USMCA, implementing legislation this week, so I want to address this agreement, but in order to do that, I think we have to start with the underlying NAFTA agreement, which has been in place for some years, and ask a question, which is, Why did we go down the path of renegotiating NAFTA in the first place? Let's start there.

As I can imagine, one reason that one might want to renegotiate a trade agreement is if the trade agreement in question were not a reciprocal agreement. If it treated one party differently than it treated the other parties, then you might question whether that is a fair arrangement and might decide that if it is not, it needs to be revisited. That certainly would not describe NAFTA. NAFTA is entirely reciprocal.

Another reason one might decide to renegotiate a trade agreement is if there were tariffs—meaning it wasn't really a free-trade agreement; it was an agreement that maybe changed the terms of trade. But if you still had tariffs, you might decide, as a free-trader like me, that it would be a good idea to renegotiate so that we can eliminate the remaining tariffs.

Well, that certainly isn't the motivation, either, because with NAFTA, there are zero tariffs on 100 percent of manufactured goods that cross the borders of any of the three countries that are parties and zero tariffs on 97.5 percent of agricultural goods. So really there is not much more to do on the tariff side.

By the way, that is true about any other kinds of restrictions on trade. There are no quotas, no obstacles. This is a free-trade agreement. That is what it is. It is fair, it is free, and it is reciprocal among the three countries. As a matter of fact, since NAFTA was adopted, U.S. exports to Mexico, for instance, have increased 500 percent.

That is true of Pennsylvania exports to Mexico, as it is on average for all 50 States.

I will state that modernizing the agreement always made sense, right? We now have this huge digital economy that did not exist back in the early nineties when NAFTA was adopted, so it definitely makes sense—it always makes sense to modernize, to update. But I think it is very clear that modernizing and updating were not the driving motivations for renegotiating NAFTA and adopting USMCA. The fundamental reason was that we have a trade deficit with Mexico. It is pretty persistent every year. It is not a huge deficit, but we have a trade deficit with Mexico, and that was deemed to be unacceptable to the administration.

So the fundamental purpose of renegotiating NAFTA and the reason Mexico and Canada had to be coerced into this new agreement was so that we could diminish exports from Mexico. Despite the fact that economists universally understand that a trade deficit with a country like Mexico is a meaningless measure, nevertheless, that is the goal.

Since trade in cars and car parts is the source of the trade deficit with Mexico, it is the auto sector that bears the brunt of the restrictions.

Let me suggest that one useful way to think about USMCA is that it is NAFTA with two categories of changes. The first category is the modest constructive modernizations I alluded to. They are mostly taken from the Trans-Pacific Partnership Agreement that had been negotiated by a previous administration. Examples include requiring that there be free digital trade. So you can't impose a tax on a data transfer, for instance, or you can't impose a tariff on software, and you can't require that data be stored locally. These are good things.

It is important to note they are codifying existing practices. Canada, Mexico, and the United States do not currently impose obstacles and tariffs on this kind of economic activity. Under USMCA, they won't be able to; it will be codified. So we will make permanent that which is already the practice. There is a very, very tiny reduction in Canadian protectionism with respect to dairy products.

For the most part, these modernizing features are modest, they come from TPP, but most importantly, they could have been achieved without the second category of changes I am about to describe. They could have been achieved because they weren't really controversial.

The other important category of changes to NAFTA that USMCA contains is a full series of protectionist measures that are designed to diminish trade and/or investment. So for the first time in certainly modern times, we are going to consider a trade agreement that is designed to diminish trade, which should be very disturbing for those of us who understand how